

M103710088
cc: Tom
Task: 4265



July 15, 2011

Tom Munson
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Re: Reclamation of Primary Crusher. Lisbon Valley Mining Co LLC 920 South County Road 313, La Sal, Utah 84530.

Dear Tom:

The Lisbon Valley Mining Co (LVMC) plans to reclaim the primary crusher at the Lisbon Valley Mine. This reclamation was described in our December 14, 2010 Mine Plan Amendment proposal which was approved by the Division on May 9, 2010.¹

The reclamation approach has been revised to add additional fill over the crusher. The additional coverage will cover an exposed scarp above the crusher to mitigate any geotechnical hazards and blend better with the surrounding topography. The design is shown on the attached figure. A replacement page is attached for the December submittal. LVMC invites DOGM to visit the mine to better visualize the approach.

We look forward to written approval of this design change and appreciate the Division's continued support.

Regards,

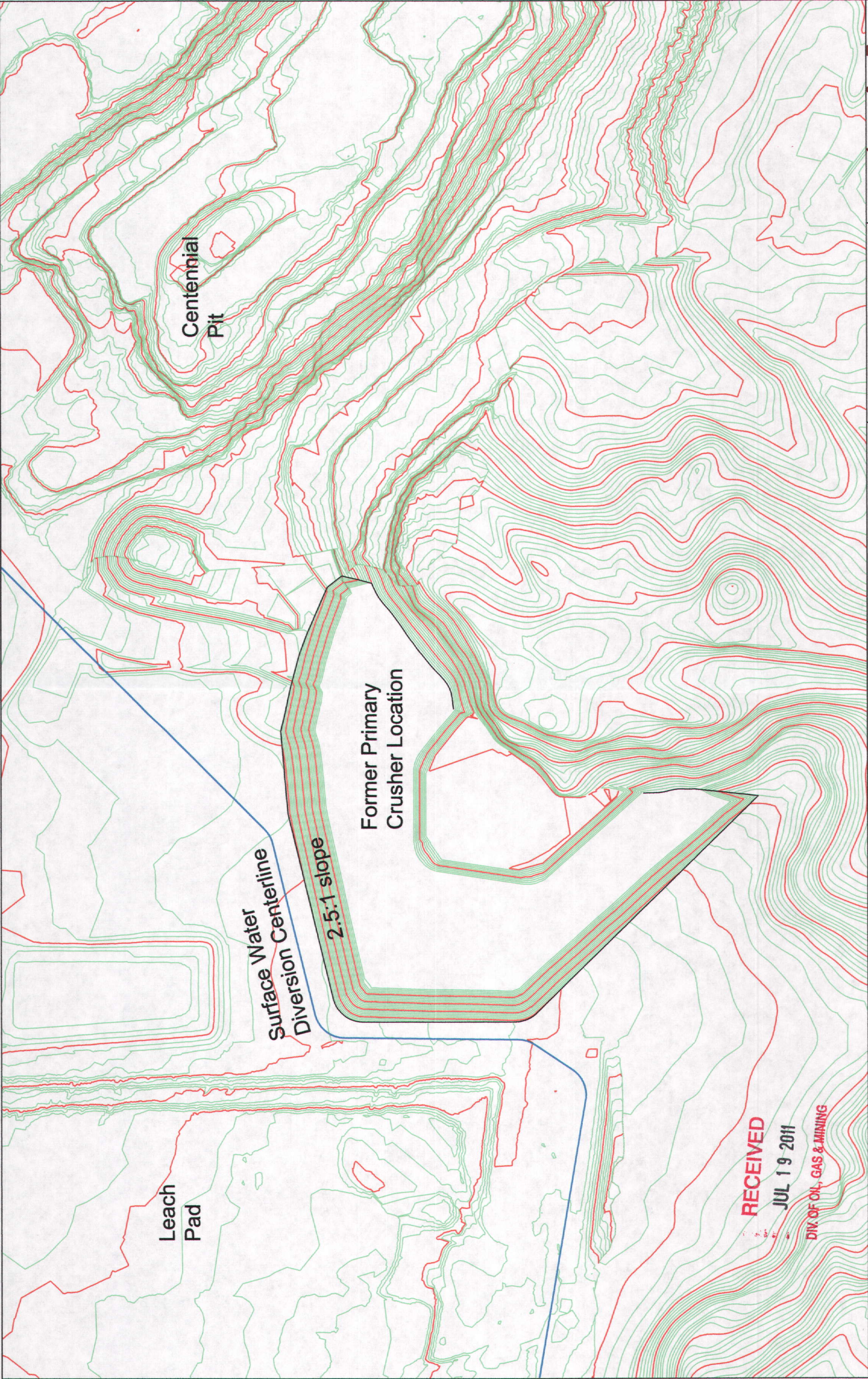
Lantz Indergard
Exploration Manager
Lisbon Valley Mining Co LLC


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DIV. OF OIL, GAS & MINING

¹ Lisbon Valley Mining Co LLC 2010. Proposed Design Revision for Mine Plan Amendment. Haul Road from GTO Pit. Lisbon Valley Mining Co LLC. 920 South County Road 313, La Sal Utah, 84530. 12 December 2010.






3006009001200feet

Approximate volume =
3 million cubic yards

Primary Crusher
Reclamation
Lisbon Valley, San Juan County



LISBON VALLEY MINING CO
920 S. County Road 313, La Sol, Utah 84530
File Location: C:\2011\CRSH, DMP\CRSH, DMP.dwg
Scale: not to scale Drawn by: Jeff Figueroa Date: 07-14-2011

The following portion of the revised proposal reiterates the September 2009 submittal, and is intended as a replacement.

Proposal Objectives

- Provide a technical description of the proposed amendment.
- Summarize the cumulative consequences.
- Demonstrate sufficient bonding.

Format

The proposal is divided into three sections. Sections 1 and 2 provide information for analysis in accordance with the National Environmental Protection Act (NEPA). Section 3 reflects the proposal in accordance with forms required by DOGM. Each section includes the following information.

1. Section 1 describes the scope of our proposal in technical terms. This includes a technical description, road alignment, design, and scaled map.
2. Section 2 describes the consequences of the proposed amendment relative to the environmental baselines evaluated in the FEIS
3. Section 3 reiterates our proposal as required per DOGM Form MR-Rev.

Section 1 – Technical Description

The proposed haul road and was designed using VulcanTm mine planning software. The design is included in Attachment 1 at two different scales. The road follows existing roads from the GTO pit east to the mine's prominent water tank overlooking the mine at the 6600' elevation. From this point, approximately 900,000 cubic yards of fill will be required to reduce the slope of the existing road from the water tank at a 7% grade to the 6460 elevation. An additional 3M cubic yards will be required to reclaim the primary crusher. Acid-neutralizing waste rock will be used for all.

LVMC is confident the road construction is both a technically sound and environmentally sound alternative for the following reasons:

- Reduces the haul cycle time from GTO pit.
- Stockpiles waste rock closer to the pad, reducing the unit cost per yard by 50%. This reduces the mine reclamation cost by approximately 1M.
- Improves stormwater pollution protection.
- Avoids archaeological sites.